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EXTRACT FROM THE MINUTES OF A SPECIAL COUNCIL MEETING
HELD ON **THURSDAY, 04 JUNE 2020, 11H00** AT THE DISASTER
MANAGEMENT CENTRE, WEIGHBRIDGE, BEAUFORT WEST

3.1 AMENDMENT OF THE INTEGRATED DEVELOPMENT PLAN 2020/2021.
(18/23/2) **Annexure 1**

PURPOSE

To table to Council the Third Integrated Development Plan (IDP) Amendment for 2020/2021, which includes the draft District Spatial Development Framework (SDF) as a core component of the IDP also for approval.

LEGISLATIVE BACKGROUND

In terms of section 34 of the MSA, a Municipal Council-

- (a) must review its integrated development plan -
 - (i) annually in accordance with an assessment of its performance measurements in terms of section 41; &
 - (ii) to the extent that changing circumstances so demand; &
- (b) may amend its integrated development plan **in accordance with a prescribed process**

The process to amend an IDP has been prescribed in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations (2001):

3. Process for amending integrated development plans

- (1) Only a member or committee of a municipal council may introduce a proposal for amending the municipality's integrated development plan in the council.
- (2) Any proposal for amending a municipality's integrated development plan must be-
- (a) accompanied by a memorandum setting out the reasons for the proposal; and
 - (b) aligned with the framework adopted in terms of section 27 of the Act.
- (3) An amendment to a municipality's integrated development plan is adopted by a decision taken by a municipal council in accordance with the rules and orders of the council.
- (4) No amendment to a municipality's integrated development plan may be adopted by the municipal council unless-
- (a) all the members of the council have been given reasonable notice;
 - (b) the proposed amendment has been published for public comment for a period of at least 21 days in a manner that allows the public an opportunity to make representations with regard to the proposed amendment;
 - (c) the municipality, if it is a district municipality, has complied with subregulation (5); and
 - (d) the municipality, if it is a local municipality, has complied with subregulation (6).
- (5) A district municipality that considers an amendment to its integrated development plan must-
- (a) consult all the local municipalities in the area of the district municipality on the proposed amendment; and
 - (b) take all comments submitted to it by the local municipalities in that area into account before it takes a final decision on the proposed amendment.

(6) *A local municipality that considers an amendment to its integrated development plan must-*

(a) consult the district municipality in whose area- it falls on the proposed amendment; and

(b) take all comments submitted to fit by the district municipality into account before it takes a final decision on the proposed amendment.

DISCUSSION

The Integrated Development Plan is the principal strategic planning instrument which guides and informs all planning and development and all decisions with regard to planning, management and development, in the municipality. It binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails and binds all persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed by a by-law. A new SDF is available, which has complied with the public participation requirements as set out in SPLUMA. As the SDF is a core component of the IDP, the IDP will have to be amended and approved in order to include this new core component, **therefore this third review constitutes an amendment and not a review.**

The Western Cape Provincial Government annually assesses Municipal Draft IDPs across the Province and provides feedback to municipalities during April/May each year. It is confirmed that feedback was provided to the Central Karoo District Municipality during a virtual engagement on 8 May 2020. Comments and recommendations have been considered for inclusion in the final IDP Amendment.

IMPLICATIONS OF COVID -19 ON PUBLIC PARTICIPATION PROCESS

Traditional public participation, through Mayoral Roadshows and public input, have been compromised due to lockdown regulations and the Draft IDP Review could unfortunately not be made available at the usual strategic points for public inspection and comment, hence not reaching the most vulnerable who do not necessarily have access to resources or who cannot read or write. The Draft IDP was placed on the municipality's website and distributed to Sector Departments, NGO's, NPO's for further distribution through their networks.

RISKS

Non-compliance to legislative requirements resulting in audit findings.

RECOMMENDATION

That Council adopts the Amended Integrated Development Plan for 2020/21 which includes a new SDF as a core component of the amended IDP.

The Mayor presents the Amendment of the Integrated Development Plan and explains the fact that is not a review, but an amendment to the Integrated Development Plan. The new SDF is dealt with in this document.

The document has already been placed on the website. A draft document was before Council on the 26 March 2020 and was no comments received from any B-Municipalities on the document.

She requests the Department, responsible for the document to circulate the document to the Department of Agriculture and Tourism association within the three (3) towns and if any comments are receives, to inform the Council.

On proposal of Cllr/Dr. A.L. Rabie, seconded by Cllr. O. Haarvoor, Council approves the Amendment of the Integrated Development Plan for 2020-2021, which includes a new Spatial Development Framework.

Rdl. N. Constable versoek 'n koukus van drie minute. Koukus toegestaan om 11H32.

Cllr. Hanganu gives feedback regarding the caucus outcome and mentions that they are not against the IDP itself, but the fact that Council has taken a decision to deal with documents firstly at a workshop, before the approval thereof, which was not handled in that manner. He also eluded on the fact that the Mayor mentions that the document was placed on the website, which they agreed on, but strengthens their concern around the fact that the community is not well informed on website matters.

The Mayor indicates that consultations were held in Prince Albert and Laingsburg Municipalities before the lockdown commenced.

The opposition makes it clear that they are not against the approval of the IDP, but feels that it is necessary that proper processes be followed.

The Mayor responds on the feedback and gives reasons why certain processes have not unfolded.

Lengthy discussions took place regarding the concern of the ANC/KDF regarding the absence of certain processes, hereafter no consensus have been reached.

On proposal of Alderman S.M. Motosane, seconded by Cllr. N. Constable, a counter proposal put forward for the none approval of the Amendment Integrated Development Plan.

1st Proposal – Approval of the Amendment I.D.P - 6 Votes.

2nd Proposal – None approval of the Amendment I.D.P.- 6 Votes.

The chairperson gives his casting vote for the 1st proposal in terms of the approval of the Amendment of the Integrated Development Plan.

3.2 BEGROTING 2020/2021 MTREF - BUDGET 2020/2021 MTREF. (6/1/1/1)

Annexure 2

INTRODUCTION

The purpose of this item is to approve the annual budget of the municipality thus appropriating the amounts for the different votes and approval of the capital expenditures. In addition, it is for the approval of all tariffs for services provided by the municipality for the annual budget for each year of the medium-term revenue and expenditure framework

The following definitions apply:

"Allocation" in relation to a municipality means –

- a) a municipality's share of the local government's equitable share referred to in section 214(1)(a) of the Constitution;
- b) an allocation of money to a municipality in terms of section 214(1)(c) of the Constitution;
- c) an allocation of money to a municipality in terms of a provincial budget; or
- d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction.

"Annual Division of Revenue Act" means the Act of Parliament which must be enacted annually in terms of section 214(1) of the Constitution.

"Approved budget" means an annual budget –

- a) approved by a municipal council; or
- b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution.

"Basic municipal service" means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment.

"Budget-related policy" means a policy of the municipality affecting or affected by the annual budget of the municipality, including –

- a) the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- b) the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
- c) the credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act.

"Budget year" means the financial year for which an annual budget is to be approved in terms of section 16(1).

"Category" in relation to municipalities means a category A, B or C municipality referred to in section 155(1) of the Constitution.

"District Municipality" means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality.

"Financial year" means a year ending on 30 June.

"Investment", in relation to funds of a municipality, means –

- a) the placing on deposit of funds of a municipality with a financial institution; or
- b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds.

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act.

"Municipal entity" has the meaning assigned to it in section 1 of the Municipal Systems Act.

"Municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff.

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act.

"Overspending"

- a) in relation to the budget of a municipality, means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote, or
- c) in relation to expenditure under section 26, means causing expenditure under that section to exceed the limits allowed in subsection (5) of that section.

"Service delivery and budget implementation plan" means a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c) (ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate –

- a) projections for each month of –
 - i. revenue to be collected, by source; and
 - ii. operational and capital expenditure by vote;
- b) service delivery targets and performance indicators for each quarter; and
- c) any other matters that may be prescribed' and includes any revisions of such plan by the mayor in terms of section 54(1)(c);

"Vote" means –

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. COMMENTARY

The budget and supporting documentation will be submitted electronically.

3. RECOMMENDATION

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the final Annual budget of the Central Karoo District Municipality for the financial year 2020/2021; and indicative allocations for the two projected outer years 2021/2022 and 2022/2023; and the multi-year and single year capital appropriations are approved as set-out in the following tables:

- 1.1 Budgeted Financial Performance (revenue and expenditure by standard classification);
- 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote);
- 1.3 Budgeted Financial Performance (revenue by source and expenditure by type); and
- 1.4 Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.

2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set-out in the following tables:
 - 2.1 Budgeted Financial Position;
 - 2.2 Budgeted Cash Flows;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation;
 - 2.4 Asset management; and
 - 2.5 Basic service delivery measurement.
3. That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act 32 of 2000 as amended, the final tariffs as set out in Annexure A, that were used to prepare the estimates of revenue by source, are approved with effect from 1 July 2020.
4. That in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the final tariffs for other services, as set out in Annexure A, which were used in compiling the final budget, are approved with effect from 1 July 2020.
5. That in terms of the provisions of **Section 75A** of the Municipal Systems Act, 32 of 2000, the notice of the tariff amendments be displayed on notice boards at all municipal offices, libraries, and be advertised in local newspapers.
6. That in terms of the municipal budget and reporting regulations, paragraph 7, the final budget policies, as indicated, are approved with effect 1 July 2020.
7. That the documents be available for inspection at the municipal offices.
8. That Council notes the impacts of COVID-19 on the ability of the Municipality to plan and budget and that Council makes provision for the tabling and approval of an adjustments budget in July/August upon receipt of the Division of Revenue Act, 2020 and the revision of the 2020/21 Provincial budget and the updated 2019-2024 Provincial Strategic Plan (PSP), within the existing Vision Inspired Priorities. In addition, the Council will evaluate the impact of COVID-19 and the associated declarations, Regulations and Directions issued in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002) (DMA) on the municipal budget and planning processes.

The Mayor gave an explanation regarding the Draft Budget which was circulated, tabled and adopted on 26 March 2020. She eluded on the difference in the documentation that was tabled on 26 March and today, that is contained on page 6, paragraph 8 where provision has

been made for Covid-19 related expenditure and programs to the amount of R250 000 on the general budget and R161 500 on the Roads Department. It was primarily to cover the cost of PPE's. No comments were received, either in the period of 26 March to 28 May 2020, from any councillor with regard to questions on the budget. Any comments and questions were also not received in the past seven (7) days.

The Mayor presents the Budget for the adoption thereof. She suggests that, if necessary, she will read the foreword.

Cllr. Constable thanks the CFO for the information. He expresses his concern pertaining to the Sundry expenses to the amount of ±R12.1 million. He request clarity regarding the allocation of the amount. He also eluded on the amount of ±R1.9 million for S&T's and expresses his concern in terms of it. He refers to the current situation of the country in terms of Covid-19 and the sitting of the meetings. He suggests that it will be proper to invest in a system that assists Council to have virtual meetings.

Die CFO maak melding dat 'n volledige uiteensetting in Aanhangsel D vervat is en verduidelik kortliks die items wat die bedrag insluit.

Cllr. S. Meyers, proposed for the approval of the Annual Budget 2020-21. Seconded by Cllr. A.M.Slabbert.

Mnr. A. Koopman steek sy hand op in die versoek om geleentheid te kry om 'n inset op die Paaie Begroting te lewer wat op sy Afdeling van toepassing is. Hy noem dat 'n skriftelike versoek wel ingedien was by die Munisipale Bestuurder.

Die Voorsitter maak 'n beslissing dat hy Mnr. Koopman nie kan toelaat om 'n inset te lewer nie, aangesien dit **komplikasies kan veroorsaak wat teenstrydig kan wees.**

Rdl. Constable noem dat dit op rekord geplaas moet word dat die Raad Mnr. Koopman nie toegelaat het om 'n inset op die Paaie Begroting te maak nie.

Die Voorsitter dui aan dat indien die inset wat Mnr. Koopman wil maak, meriete het, dit met die Burgemeester opgeneem sal word.

Cllr. Hangana mentions that all the issues raised will be already resolved, if a workshop was held to clarify the matters raised in Council. He also eluded on the fact that the Budget does not speak to the B-Municipalities who is supposed to be the custodian of the B-Municipalities.

The chairperson indicates that the discussion on the matter is closed and a process of voting will follow.

1st Proposal – For approval of the Annual Budget 2020-21.

Votes – 7.

2nd Proposal – For none approval of the Annual Budget 2020-21.

Votes – 6.

Council approves the 1st proposal in favour of the approval of the recommendation in terms of the Annual Budget 2020-21.

Rdl. Constable en Rdl. Jaffha versoek 3 minute koukus.

Koukus toegestaan om 12H40.

Raad in sitting om 12H55.

Die koukusleiers dui aan dat die Voorsitter kan voortgaan met die Agenda.

3.3 FINANCIAL AND OTHER RELATED POLICIES 2020/2021 – CENTRAL KAROO DISTRICT MUNICIPALITY. (6/1/1/B)

Annexure 3

1. APPLICABLE LEGISLATION AND POLICY

- a) Section 24 of the Municipal Finance Management Act, 56 of 2003, determines that in terms of the Municipal budget and reporting regulations, paragraph 7, the amendments to the budget policies, as indicated, must be approved as part of the budget.

2. COMMENTS

The following budget related policies are included:

- Anti-Corruption and Fraud Prevention Policy
- Asset Management Policy
- Borrowing Policy
- Budget Policy
- Contract Management Policy
- Cost Containment Policy
- Credit Control and Debt Collection Policy
- Funding and Reserves Policy
- Grants-in-Aid Policy
- Infrastructure Procurement Policy
- Kontantbestuur en Beleggingsbeleid
- Long Term Financial Plan Policy
- Municipal Entities Policy
- Relief Fund Policy
- Supply Chain Management Policy
- Tariff Policy
- Tools of Trade, Cellular Phone Allowances and Data Allowances for Councillors
- Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy
- Unforeseen and Unavoidable Expenditure Policy, Processes and Procedures
- Virement Policy

The following delegation registers are included:

- MFMA Delegations Register
- Supply Chain Management Delegations Register

All changes to the policies and delegations are indicated in RED

4. RECOMMENDATION

That in terms of the municipal budget and reporting regulations, paragraph 7, the budget policies, as indicated, are approved with effect 1 July 2020.

The Mayor presented the Policies and proposed the adoption of the Policies as contained in Annexure 3 that includes the Policies listed above.

The Mayor refers to the process of the Tools of Trade for Councillors and requests the Chairperson to rule her out of order here or place it at another meeting.

She expresses her feeling that the R300 data which is provided in the Tools of Trade document is rather little for the cost of having meetings. A number of councillors service on double Councils, and some of them represents this Council on other bodies, i.e. Salga, time been spent in cabinet meetings in terms of Covid-19 related matters and **therefore proposes whether it can consider to give a once off for Councillors or a Council based increase on the R300 data allowances that Councillors currently receive.**

She requests the Councillors from the B-Municipalities to indicate whether they take a similar decision.

She adds that the Speaker may rule that the matter be dealt with separately on a Finance Committee meeting, and therefore presents the Policies for approval.

The chairperson gains clarity in handling the matter base on the fact that the Upper Limits was gazette.

Input are given, whereafter the Mayor indicates that she subtracts the point regarding the data issue that relates to the Tools of Trade Policy and therefore requests the approval of the Financial and Other Related Policies for 2020-21.

On approval of Cllr/Dr. A.L. Rabie, seconded by Cllr. A.M. Slabbert, Council unanimously approves the recommendation as set out in bullet point 4.

Council unanimously agreed that an item point in handling the data matter be tabled at the next Council meeting.

**MUNISIPALE BESTUURDER
S JOOSTE**